

RESOLUTION 2018-30

RELATING TO THE VILLAGE OF ANGEL FIRE, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE NOTES, SERIES 2018; ESTABLISHING THE EXACT AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2018 NOTES OF SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS (\$700,000), MATURITY DATES, RATES OF INTEREST, REDEMPTION FEATURES AND PRICE WITH RESPECT TO SUCH SERIES 2018 NOTES IN ACCORDANCE WITH ORDINANCE NO. 2018-02 ADOPTED ON MAY 29, 2018; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN; AND REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION.

All terms not defined herein shall have the meanings given them in Ordinance No. 2018-02 (the "Note Ordinance") adopted by the Board on May 29, 2018.

WHEREAS, on May 29, 2018, the Council adopted the Note Ordinance authorizing the issuance of the Village of Angel Fire, New Mexico Gross Receipts Tax Improvement Revenue Notes, Series 2018 (the "Notes") and providing for the adoption of this resolution (the "Sale Resolution") setting forth certain details with respect to the Notes; and

WHEREAS, this Sale Resolution is adopted pursuant to the Note Ordinance to approve the terms, sale price and certain other details with respect to the Notes; and

WHEREAS, the Village has received an offer to purchase the Notes from Washington Federal (the "Note Purchaser") pursuant to the terms provided in a Term Sheet dated June 14, 2018 (the "Term Sheet"); and

WHEREAS, the Board has determined that it is in the best interest of the Village to proceed with the sale of the Notes by adoption of this Sale Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF ANGEL FIRE, NEW MEXICO:

Section 1. Ratification. All action not inconsistent with the provisions of this Sale Resolution heretofore taken by the Council and the officials of the Village directed toward the sale and issuance of the Notes be and the same hereby is ratified, approved and confirmed.

Section 2. Details of Notes. The Notes shall be issued in the aggregate principal amount of \$700,000, shall be dated their date of issuance and delivery to the Note Purchaser, shall bear interest from the date of delivery, at the rates described below, payable semiannually on June 1 and December 1 of each year until maturity, commencing December 1, 2018. Principal on the Notes shall mature and be payable on June 1 in each of the designated amounts and years as set forth below:

<u>Year Maturing</u> <u>(June 1)</u>	<u>Amounts</u> <u>Maturing</u>	<u>Interest Rate</u> <u>(Per Annum)</u>
2019	\$55,000	3.460%
2020	65,000	3.460%
2021	65,000	3.460%
2022	65,000	3.460%
2023	70,000	3.460%
2024	70,000	3.460%
2025	75,000	3.460%
2026	75,000	3.460%
2027	80,000	3.460%
2028	80,000	3.460%

Section 3. Prepayment. The Village may prepay the Notes at any time prior to their maturity with a prepayment fee. The prepayment fee shall be in an amount sufficient to compensate the Note Purchaser for any loss incurred by it as a result of the prepayment, including any loss arising from the liquidation or reemployment of funds obtained by it to maintain the funds used to purchase the Notes. If the Note Purchaser were able to redeploy the funds of the Notes at a satisfactory higher rate (determined solely by the Note Purchaser), the Village may be able to prepay the Notes without penalty before maturity.

Section 4. Sale of the Notes. The Notes are hereby sold to the Note Purchaser in accordance with the Term Sheet at a purchase price of \$700,000. The Notes constitute a bank loan.

Section 5. Net Effective Interest Rates. The net effective interest rate on the Notes is 3.6757%. During the term of any "event of default," as defined in Section 28 of the Note Ordinance, the outstanding principal of the Notes shall bear interest at the rate of 3.46%. The net effective interest rates are less than 12% as required by the Note Ordinance.

Section 6. Debt Service Reserve Fund.

A. The Village hereby creates the "Village of Angel Fire, New Mexico Gross Receipts Tax Improvement Revenue Notes, Series 2018, Debt Service Reserve Fund," to be maintained by the Village. Amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Notes. After funding the Reserve Fund in an amount equal to the Minimum Reserve, no additional payments need be made into the Reserve Fund so long as the moneys therein shall equal not less than the Minimum Reserve. The moneys in the Reserve Fund shall be accumulated and maintained as a continuing reserve to be used only to prevent deficiencies in the payment of the principal of and interest on the Notes resulting from failure to deposit into the Debt Service Fund sufficient funds to pay the principal and interest on the Notes as the same accrue.

B. No deposit to the Reserve Fund will be made from the proceeds of the Notes. No deposit shall be required in the Reserve Fund so long as the Pledged Revenues in each Fiscal Year equal or exceed 125% of the maximum annual principal and interest coming due in any subsequent Fiscal Year on all outstanding Parity Obligations. If the Pledged Revenues in any Fiscal Year are insufficient to meet the test set forth in the preceding sentence, the Village shall begin making substantially equal monthly deposits in the Reserve Fund from the first legally available Pledged Revenues, or other legally available revenues of the Village, so that after 24 months an amount equal to the Minimum Reserve will be held in the Reserve Fund

C. The Minimum Reserve, if required, shall be the amount equal to the least of (i) ten percent (10%) of the principal amount of the outstanding Notes, (ii) the maximum annual debt service on the outstanding Notes, or (iii) one hundred twenty-five percent (125%) of the average annual debt service on the outstanding Notes. The Minimum Reserve shall be recalculated every year on or about June 1.

Section 7. Terms of Notes within Parameters of Note Ordinance. It is hereby found and determined that the above terms established for the Notes are each within the parameters established by the Note Ordinance.

Section 8. Authorization of Officers. The officers of the Village, including without limitation, the Mayor, Manager and Finance Director be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Sale Resolution, including, without limiting the generality of the foregoing, the signature and distribution of materials relating to the Notes and the printing of the Notes, as may be required by the Note Purchaser or bond counsel.

Section 9. Repealer. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution, or part thereof, heretofore repealed.

Section 10. Severability. If any section, paragraph, clause or provision hereof shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Sale Resolution.

Section 11. Amendment. This Sale Resolution may be amended only on the same terms and conditions as set forth in the Note Ordinance for amendment of the Note Ordinance.

Section 12. Effective Date. This Sale Resolution shall take effect immediately upon its adoption and approval by the Board and be supplemental to the Note Ordinance.

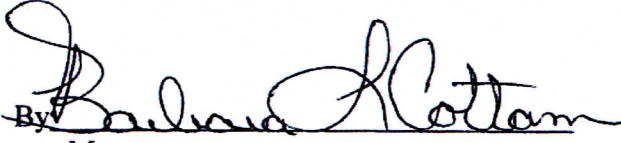
Section 13. Interest Calculation. All calculations of interest on the Notes shall be made on a 30-day month and a 360-day year basis.

Section 14. Bank Fees and Costs. The Village shall pay the Note Purchaser a \$5,000 origination fee and the Note Purchaser's legal counsel fee in an amount not to exceed \$5,000.

PASSED, APPROVED AND ADOPTED THIS 30th DAY OF JULY, 2018.

VILLAGE OF ANGEL FIRE, NEW MEXICO

(SEAL)

By 
Mayor

ATTEST:


Village Clerk